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Letter dated 31 December 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia (see annex), containing an account of the Committee's activities for 2004. The report, which was adopted by the Committee on 30 December 2004, is being submitted in accordance with the note by the President of the Council of 29 March 1995 (S/1995/234).

(*Signed*) Munir **Akram**
Chairman
Security Council Committee established pursuant
to resolution 1521 (2003) concerning Liberia

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Annex

Report of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia

I. Introduction

1. The present report of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia covers the period from 22 December 2003, when the Committee was established, to 31 December 2004.

2. The bureau consisted of Munir Akram (Pakistan) as Chairman, with the delegations of Angola and the Philippines providing the Vice-Chairmen. During this period the Committee held 4 formal meetings in addition to 16 informal consultations.

II. Background information and summary of the work of the Committee

A. Background information

3. In its resolution 788 (1992) of 19 November 1992 the Security Council imposed a general and complete arms embargo on Liberia, and in its resolution 985 (1995) of 13 April 1995 it established a Committee to monitor its implementation.

4. In resolution 1343 (2001) of 7 March 2001, the Council dissolved the Committee and re-imposed the arms embargo with immediate effect for a 14-month period. Under the resolution the Council also established a new Committee to ensure the effective implementation of the new arms embargo and to oversee the prohibitions on the import of rough diamonds from Liberia and the travel restrictions affecting individuals designated by the Committee in accordance with the criteria set out in the resolution. The diamond and travel sanctions entered into force on 7 May 2001, and they were subsequently renewed, together with the arms embargo, by Security Council resolutions 1408 (2002) and 1478 (2003). Resolution 1478 (2003) also imposed prohibitions on the import of round logs and timber products originating in Liberia for an initial period of 10 months, effective 7 July 2003.

5. In its resolution 1521 (2003), adopted on 22 December 2003, the Security Council decided to dissolve the Committee and to revise the legal basis of the sanctions to reflect the changed circumstances in Liberia, in particular the departure of former President Charles Taylor, the formation of the National Transitional Government of Liberia and progress with the peace process in Sierra Leone. Under resolution 1521 (2003) the Council established a new Committee to oversee the implementation of the measures as modified and re-imposed by the resolution: an arms embargo, restrictions on the travel of individuals designated by the Committee on the basis of the criteria contained in the resolution and prohibitions on the import of rough diamonds and round logs and timber products originating in Liberia. On 16 March 2004, after considering the submissions of the members of the Committee and the suggestions communicated by the United Nations Mission in Liberia (UNMIL), the Committee issued a new travel-ban list, containing the names of

individuals subject to travel restrictions imposed by paragraph 4 of resolution 1521 (2003) (SC/8027).

6. By paragraph 22 of resolution 1521 (2003) the Security Council decided to establish a Panel of Experts, for a period of five months, to conduct a follow-up assessment mission to Liberia and neighbouring States and to report on the implementation of the Council's relevant measures. The Panel was also requested, inter alia, to assess progress made towards the goals set out by the Council for the lifting of sanctions and report with recommendations on how to minimize any humanitarian and socio-economic impact of the Council's relevant sanctions measures. The Panel of Experts commenced its work on 26 February 2004 and issued its report on 1 June 2004 (see S/2004/396 and Corr.1 and 2).

7. By paragraph 1 of resolution 1532 (2004), adopted on 12 March 2004, the Security Council decided that, in order to prevent former Liberian President Charles Taylor, his immediate family members, senior officials of the former Taylor regime or other close allies or associates designated by the Committee from using misappropriated funds and property to interfere in the restoration of peace and stability in Liberia and the subregion, all States would freeze without delay funds, other financial assets and economic resources owned or controlled directly or indirectly by Charles Taylor, Jewell Howard Taylor, Charles Taylor, Jr., and/or those other individuals designated by the Committee. On 14 June 2004, the Committee issued its list of individuals and entities subject to the measures contained in paragraph 1 of resolution 1532 (2004) (the assets-freeze list) (SC/8123).

8. By paragraph 1 of resolution 1549 (2004), adopted on 17 June 2004, the Security Council decided to re-establish the Panel of Experts appointed pursuant to paragraph 22 of resolution 1521 (2003) until 21 December 2004 to undertake the tasks described in paragraph 8 of that resolution and also to monitor the implementation and enforcement of the assets freeze imposed by paragraph 1 of resolution 1532 (2004). The Panel commenced its work on 18 July 2004 and issued a mid-term report on progress made by the National Transitional Government of Liberia in meeting the conditions set out by the Council for the lifting of sanctions on diamonds and timber, prepared in accordance with paragraph 2 of resolution 1549 (2004), on 24 September 2004 (see S/2004/752). The final report of the Panel under the mandate accorded to it by resolution 1549 (2004) was issued on 6 December 2004 (see S/2004/955).

9. By paragraph 1 of resolution 1579 (2004), adopted on 21 December 2004, the Security Council decided, on the basis of its assessments of progress made by the National Transitional Government of Liberia towards meeting the conditions for the lifting of the sanctions imposed by resolution 1521 (2003), to renew the arms embargo, the travel restrictions on designated individuals and the prohibitions on the import of round logs and timber products originating in Liberia for a further period of 12 months, and to review them after 6 months. By the same paragraph, the Council also decided to renew the prohibitions on the import of rough diamonds from Liberia for a further period of six months, but to review them after three months.

10. By paragraph 8 of resolution 1579 (2004) the Security Council decided to re-establish the Panel appointed pursuant to resolution 1549 (2004) for a further period until 21 June 2005 to undertake the tasks set out in the resolution including, inter alia, to conduct a follow-up assessment mission to Liberia and neighbouring States

and report on the implementation of the Council's relevant measures, including the assets freeze; to assess progress made towards the goals set out by the Council for the lifting of sanctions; and to assess the humanitarian and socio-economic impact of the Council's relevant sanctions measures.

B. Summary of the activities of the Committee

11. Since the adoption of resolution 1521 (2003), the Committee has received and approved one request, in accordance with paragraph 2 (e) of that resolution, to permit UNMIL to import into Liberia a quantity of weapons and ammunition donated by the city of Antwerp, Belgium, to be used in support of the ongoing efforts of UNMIL to train the new Liberian police service.

12. During the reporting period, the Committee considered 10 requests for travel-ban waivers under paragraph 4 (c) of resolution 1521 (2003), of which 7 were granted.

13. The Committee continued the practice, initiated by the Liberia Committee established pursuant to resolution 1343 (2001), of holding quarterly reviews of the travel-ban list established on 16 March 2004. These quarterly reviews were conducted in June, September and December 2004, during which the Committee considered 19 requests for names to be removed from the list. The Committee decided to retain the names of 19 persons and to add the names of 5 additional persons. During the period under review, the Committee did not remove any names from the travel-ban list. During its reviews, the Committee was also able to include additional information on the list in connection with six individuals on the basis of information it received. The latest version of the travel-ban list was issued as SC/8211 on 6 October 2004, and it is also available on the Committee's web site (http://www.un.org/Docs/sc/committees/Liberia3Template.htm).

14. By paragraph 4 (b) of resolution 1532 (2004) the Security Council decided that the Committee would review the assets-freeze list every six months. In accordance with this provision, the Committee conducted its first formal review of the assets-freeze list on 17 and 20 December 2004. Although the conduct of the first six-monthly review of the list was not required until mid-December 2004, the Committee had previously considered, in August 2004, three requests for removal from the list shortly after they had been received. The Committee subsequently informed the individuals concerned, through the appropriate channels, that it could not accede to their requests on the basis of the information that had been provided. During the period under review, the Committee added three names to the assets-freeze list, and it was also able to include additional information in connection with five individuals on the basis of information it received. The latest version of the assets-freeze list was issued as SC/8176 on 26 August 2004, and it is also available on the Committee's web site.

15. In accordance with the exception set out in paragraph 2 (a) of resolution 1532 (2004), the Committee received two notifications from Member States regarding their intention to authorize certain expenditures to the benefit of individuals included on the assets-freeze list — from the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland, dated 10 August 2004, and from the Permanent Mission of Germany, dated 27 October 2004. No negative decision was taken by the Committee within the requisite two-day period with regard to either of these notifications.

16. The Committee was not able to adopt guidelines for the conduct of its work in 2004. This did not, however, prevent the Committee from discharging its mandate. On 16 March 2004, the Committee adopted procedures for updating and maintaining its travel-ban list and also for handling requests for exemptions from the travel restrictions contained in paragraph 4 of resolution 1521 (2003). In addition, on 15 June 2004 the Committee also issued guidelines for the application of paragraphs 1 and 4 of resolution 1532 (2004) concerning the assets freeze. All of these procedures are available on the Committee's web site. The Committee Chairman, in his statement in the Council on 22 December 2004, underlined the desirability of finalizing the guidelines as early as possible in 2005.

17. At its informal consultations on 17 December 2004, the Committee engaged in a useful and timely discussion on the Committee's procedures for conducting reviews of its travel-ban and assets-freeze lists, as well as on the wider subject of unifying the Committee's guidelines as a whole to enhance the conduct of its work. At the Committee's fourth meeting, on 20 December 2004, the Chairman encouraged the Committee to continue this important work in 2005, since it would help interested parties gain a better understanding of the work in which the Committee was engaged.

18. By paragraph 21 (b) of resolution 1521 (2003), the Security Council decided that the Committee was to seek from all States, particularly those in the subregion, information about the actions taken by them to implement effectively the measures contained in paragraphs 2, 4, 6 and 10 of that resolution. In this connection, 15 replies were received from States in response to the Committee's note verbale (SCA/1/04/(01)) of 20 January 2004 (see appendix 1).

19. By paragraph 4 (d) of resolution 1532 (2004), the Security Council decided that the Committee was to seek from all States information regarding the actions taken by them to trace and freeze the funds, other financial assets and economic resources described in that resolution. In this connection, 10 replies were received from States in response to the Committee's note verbale (SCA/1/04(14)) of 14 June 2004 (see appendix 2). On 8 November 2004, one Member State provided information directly to the Chairman of the Panel of Experts on Liberia regarding action it had taken to implement the assets freeze imposed by resolution 1532 (2004).

C. Violations and alleged violations of the sanctions regime

20. No major violations of the arms embargo were reported during the period under review. The sanctions on diamonds and timber were also being largely implemented.

21. Under paragraph 21 (f) of resolution 1521 (2003), the Committee is authorized by the Security Council "to consider and take appropriate action, within the framework of this resolution, on pending issues or concerns brought to its attention concerning the measures imposed by resolutions 1343 (2001), 1408 (2002) and 1478 (2003), while those resolutions were in force".

22. On 30 November 2004, in response to information contained in the report of the Panel of Experts (see S/2004/396 and Corr.1 and 2), the Committee requested the Chairman to address 13 letters seeking information from States regarding

alleged violations of the sanctions regime. To date, no responses have been received.

D. Other activities

23. The Committee's deliberations on the reports of the Panel of Experts and the Chairman's briefings to the Council facilitated the Council's review of the sanctions regime conducted in June, October and December 2004. With the sanctions being generally observed, the discussions in the Committee focused largely on the issue of economic measures, i.e., diamonds and timber, and led to the adoption of a differentiated approach in the context of resolution 1579 (2004).

24. On 10 June 2004, pursuant to paragraph 19 of resolution 1521 (2003), the Chairman briefed the Security Council as part of the Council's first review of the sanctions imposed by paragraphs 2, 4, 6 and 10 of that resolution. The Chairman's statement was based upon the Committee's deliberations in its consultations on 4 June 2004 concerning the report of the Panel of Experts (see S/2004/396 and Corr.1 and 2) consultations and was approved at the Committee's second meeting, on 9 June 2004.

25. On 7 October 2004 the Chairman briefed the Security Council on the mid-term report of the Panel of Experts (see S/2004/752), which specifically addressed the progress made by the National Transitional Government of Liberia towards meeting the benchmarks for the lifting of the sanctions on diamonds and timber specified in resolution 1521 (2003). The Council's 7 October review was conducted in accordance with paragraph 20 of resolution 1521 (2003), by which the Council decided to keep under regular review the measures on diamonds and timber, so as to terminate them as soon as possible once the relevant conditions have been met, in order to create revenue for the reconstruction and development of Liberia.

26. On 29 September and 30 November 2004, the Committee heard two separate briefings on the Liberia Forest Initiative, a multi-donor partnership designed to help Liberians create conditions favourable to the lifting of sanctions in the context of putting Liberia's forest sector back on a legal and sustainable basis. The briefings were given by representatives of the United States Government, the European Commission, the World Bank and the Food and Agriculture Organization of the United Nations.

27. On 21 December 2004, pursuant to paragraph 18 of resolution 1521 (2003) and paragraph 5 of resolution 1532 (2004), the Chairman briefed the Security Council as part of the Council's second comprehensive review of the sanctions imposed by paragraphs 2, 4, 6 and 10 of the former and by paragraph 1 of the latter. The Chairman's statement was based upon the Committee's deliberations in its consultations on 17 December 2004 concerning the report of the Panel of Experts (see S/2004/955) and was approved at the Committee's fourth meeting, on 20 December 2004.

III. Observations

28. During the period under review, the Committee benefited greatly from the reports and presentations provided by the Panel of Experts. In 2004, the Panel was able to spend more time inside Liberia than it had under previous mandates. Due to the full deployment of UNMIL, the Panel was able to travel throughout Liberia.

With the assistance provided by UNMIL in the spirit of paragraph 23 of resolution 1521 (2003), the Panel was able to conduct aerial surveillance of forest and mining areas, trace weapons collected during the disarmament process and gather detailed information with regard to the socio-economic and humanitarian impact of the sanctions. The Panel briefed the Committee on several occasions about its findings and recommendations and provided detailed responses to the comments and questions of Committee members.

29. During its consideration of the report and recommendations submitted by the Panel of Experts (see S/2004/955) and in preparation for the Council's sanctions review, the Committee also benefited from a useful briefing, at its informal consultations held on 10 December, from a representative of the Department of Peacekeeping Operations as well as from a detailed letter from the Special Representative of the Secretary-General for Liberia, which was submitted in a very timely manner in response to the Committee's request. These inputs were particularly valuable to the Committee as it grappled with the issue of economic sanctions, i.e., on diamonds and timber, and other complex issues, such as the extent of UNMIL and government control of the border and forest areas in Liberia, as well as the role that UNMIL could potentially play in the monitoring of sanctions violations, assisting in the deployment of customs and immigration officials, helping the Government map and monitor diamond mines and even identifying and publicizing corruption.

30. The Committee conducted its work throughout the reporting period in a transparent manner. The general membership was kept informed of the Committee's deliberations. The Committee Chairman regularly briefed interested Member States after the formal and informal meetings.

Appendix 1

Replies received from States in accordance with paragraphs 2, 4, 6 and 10 of Security Council resolution 1521 (2003)

State	Date of report	Symbol
Syrian Arab Republic	24 February 2004	S/AC.41/2004/1
Sierra Leone	4 March 2004	S/AC.39/2004/2
Austria	9 March 2004	S/AC.41/2004/3
Malta	11 March 2004	S/AC.41/2004/4
Russian Federation	18 March 2004	S/AC.41/2004/5
Finland	24 May 2004	S/AC.41/2004/6
Costa Rica	26 May 2004	S/AC.41/2004/7
Argentina	7 June 2004	S/AC.41/2004/8
Brazil	18 June 2004	S/AC.41/2004/9
Ukraine	21 June 2004	S/AC.41/2004/10
Kuwait	21 June 2004	S/AC.41/2004/11
South Africa	6 July 2004	S/AC.41/2004/12
Portugal	12 July 2004	S/AC.41/2004/13
Luxembourg	7 October 2004	S/AC.41/2004/14
Qatar	11 October 2004	S/AC.41/2004/15

Appendix 2

Replies received from States in accordance with paragraph 1 of Security Council resolution 1532 (2004)

State	Date of report	Symbol
Finland	24 May 2004	S/AC.41/2004/(14)/1
Brazil	18 June 2004	S/AC.39/2004/(14)/2
Ukraine	21 June 2004	S/AC.41/2004/(14)/3
Germany	19 May 2004	S/AC.41/2004/(14)/4
Russian Federation	29 June 2004	S/AC.41/2004/(14)/5
Malta	8 July 2004	S/AC.41/2004/(14)/6
Portugal	12 July 2004	S/AC.41/2004/(14)/7
Jordan	7 June 2004	S/AC.41/2004/(14)/8
Luxembourg	7 October 2004	S/AC.41/2004/(14)/9
Honduras	8 November 2004	S/AC.41/2004/(14)/10